

United States Department of the Interior Bureau of Land Management

Decision Record
Environmental Assessments
DOI-BLM-UT-C010-2015-0009-EA (Cedar City Field Office)
DOI-BLM-UT-C020-2014-036-EA (Richfield Field Office)
Determination of NEPA Adequacy
DOI-BLM-UT-G010-2015-XXX-DNA (Vernal Field Office)

July 2015

May 2015 Oil and Gas Lease Sale

Location: Color Country District
Cedar City Field Office
Richfield Field Office
Green River District
Vernal Field Office

Applicant/Address: U.S. Department of the Interior
Bureau of Land Management
Utah State Office
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DECISION

It is my decision to select and implement the “Alternative A - Proposed Action” alternatives from the environmental assessments (collectively “the EAs”), DOI-BLM-UT-C010-2015-0009-EA, prepared by the Bureau of Land Management (“BLM”) Cedar City Field Office (“Cedar City FO”), and DOI-BLM-UT-C020-2014-036-EA, prepared by the BLM Richfield Field Office (“Richfield FO”), and the “Proposed Action” described in the determination of NEPA adequacy (“DNA”), DOI-BLM-UT-G010-2015-XXX-DNA, prepared by the BLM Vernal Field Office (“Vernal FO”), subject to the modifications described below.¹ More specifically, it is my decision to issue oil and gas leases for the below-listed fourteen (14) parcels of land (“the lease parcels”), as configured and with the terms and protective measures (i.e. lease terms, stipulations and lease notices) provided for in the Notice of Competitive Oil and Gas Lease Sale (“NCLS”) issued by this office on February 13, 2015, and as modified by the errata sheets (“errata sheets”) issued for that NCLS on May 11 and May 12, 2015.² This decision record (“DR”) addresses oil and gas leasing for the following 14 lease parcels, which encompass approximately 15,265 acres of land under the administration of the BLM’s Cedar City, Richfield and Vernal FOs:

Cedar City FO parcels (DOI-BLM-UT-C010-2015-0009-EA)

UTU91061 (UT0515-012), UTU91062 (UT0515-013), UTU91063 (UT0515-019), and UTU91064 (UT0515-020)

Richfield FO parcels (DOI-BLM-UT-C020-2014-036-EA)

UTU91055 (UT0515-001), UTU91056 (UT0515-002), UTU91057 (UT0515-003), UTU91058 (UT0515-005), UTU91059 (UT0515-006), UTU91060 (UT0515-007), UTU91065 (UT0515-026), UTU91066 (UT0515-027) and UTU91067 (UT0515-028)

Vernal FO parcel (DOI-BLM-UT-G010-2015-XXX-DNA)

UTU91068 (UT1114 – 132).³

¹ Copies of the EAs and the DNA can be obtained by request to the BLM Utah State Office (using the contact information provided on the cover-page of this document) or by accessing the BLM Utah oil and gas lease sale website located online at: http://www.blm.gov/ut/st/en/prog/energy/oil_and_gas/oil_and_gas_lease.html.

² Copies of the NCLS and the errata sheets can be obtained by request to the BLM Utah State Office or by accessing the BLM Utah oil and gas lease sale website.

³ Oil and gas lease parcel UTU91068 (UT1114 – 132) was previously offered for lease and bid upon at the November 18, 2014, competitive oil and gas lease sale. The winning bid placed on the parcel at the November 2014 lease sale was subsequently rejected because the winning bidder failed to timely pay all monies owed. The leasing of parcel UTU91068 was addressed through the lease parcel review process and NEPA documents completed for the November 2014 lease sale. The DNA (DOI-BLM-UT-G010-2015-XXX-DNA) prepared for the May 2015 Lease Sale considered the adequacy and appropriateness of the November 2014 lease sale review process and NEPA documents within the context of reoffering parcel UTU91068 at the May 2015 Lease Sale. For additional information see this Decision Record *infra*.

This decision was made in reliance upon and incorporates the documented results and rationale presented in the Finding of No Significant Impacts (“FONSI”) and the DNA issued by this office for the May 2015 Lease Sale. Based upon a review of the EAs and considering the criteria for significance, as described at 40 C.F.R. § 1508.27, the FONSI determined that oil and gas leasing of the lease parcels located within the Cedar City and Richfield FOs, as provided for by the Proposed Action alternatives, the NCLS and the errata sheets, does not constitute a major federal action and it will not have a significant effect on the quality of the human environment, individually or cumulatively with other actions in the general project area.⁴ Likewise, based upon a review of the environmental assessment (“Vernal EA”), DOI-BLM-UT-G010-2014-093-EA, and the Finding of No Significant Impacts that was prepared for the Vernal EA (“November 2014 FONSI”), which considered oil and gas leasing of the Vernal FO lease parcel, UTU91068 (UT1114 – 132), at a competitive lease sale held on November 18, 2014 (“November 2014 Lease Sale”), the DNA confirmed that the documented results of the Vernal EA and the November 2014 FONSI are still appropriate for the May 2015 Lease Sale and, in doing so, it documents the determination that the oil and gas leasing of lease parcel UTU91068 (UT1114 – 132) at the May 2015 Lease Sale, as described in the Proposed Action for the DNA and the NCLS, does not constitute a major federal action and it will not have a significant effect on the quality of the human environment, individually or cumulatively with other actions in the general project area.⁵

The FONSI and DNA also document BLM’s determination that the May 2015 Lease Sale leasing action is in conformance with and will not result in significant impacts to the quality of the human environment that would be beyond those impacts already considered by the following Records of Decision and Approved Resource Management Plans (collectively “ROD/RMPs”): the Cedar Beaver Garfield Antimony ROD/RMP (BLM, 1986, as amended and maintained) (for the Cedar City FO lease parcels), the Richfield FO ROD/RMP (BLM, 2008, as maintained) (for the Richfield FO lease parcels), and the Vernal FO ROD/RMP (BLM, 2008, as maintained) (for Vernal FO lease parcel UTU91068), and the Proposed RMP/Final Environmental Impact Statements (“FEISs”) upon which the aforementioned ROD/RMPs rely (together “the ROD/RMPs/FEISs”).

The authority to make the decision contained within this DR is provided for by the Mineral Leasing Act (“MLA”), as amended, 30 U.S.C. §§ 181 *et seq.*, and the implementing regulations for that statute contained within 43 C.F.R. Part 3100.

ALTERNATIVES CONSIDERED AND RATIONALE FOR DECISION

As provided in sections 102(a)(12) and 103(l) of the Federal Land Policy and Management Act (“FLPMA”), 43 U.S.C. §§ 1701(a)(12), 1702(l), oil and gas leasing is a “principal use” for the public lands, and the BLM issues oil and gas leases on the public lands in order to provide for the orderly development of the fluid mineral resources under its jurisdiction in a manner that is consistent with the multiple use management mandated by FLPMA. *E.g.*, 43 U.S.C. § 1702(c). Furthermore, in accordance with certain

⁴ The Council on Environmental Quality promulgated regulations (“CEQ regulations”), which have been codified at 40 C.F.R. §§ 1500 to 1508, for the purpose of implementing the National Environmental Policy Act.

⁵ Copies of the Vernal EA and November 2014 FONSI may be obtained by request to the BLM Utah State Office or by accessing the BLM Utah’s webpage for the November 2014 Lease Sale located online at: http://www.blm.gov/ut/st/en/prog/energy/oil_and_gas/oil_and_gas_lease/november_2014_oil.html.

provisions of the Federal Onshore Oil and Gas Leasing Reform Act of 1987, Pub. L. No. 100-203 (1987) (codified as amended at 30 U.S.C. §§ 181 *et seq.*), which amended the MLA, the BLM Utah holds competitive oil and gas lease sale auctions on a quarterly basis in order to respond to public requests for “nominated” federal lands to be made available for oil and gas leasing. *See* 30 U.S.C. § 226(b)(1)(A); 43 C.F.R. § 3120.1-1. However, before publicly nominated federal lands are offered for oil and gas leasing at a competitive lease sale auction, the BLM Utah considers the potential consequences of issuing oil and gas leases for any such lands during a “lease parcel review process.”

The BLM Utah has completed a lease parcel review process in order to consider the potential consequences of issuing oil and gas leases for certain federal lands in the Cedar City, Richfield and Vernal FOs, which members of the public nominated from inclusion at the May 2015 Lease Sale and, with respect to the Vernal FO lease parcel (UTU91068), the November 2014 Lease Sale. This lease sale review process, which was conducted in accordance with the objectives of the National Environmental Policy Act (“NEPA”), 42 U.S.C. §§ 4321 *et seq.*, and guidance provided by BLM Washington Office (“WO”) Instruction Memorandum (“IM”) No. 2010-117, *Oil and Gas Leasing Reform – Land Use Planning and Lease Parcel Reviews*, and BLM Utah IM No. 2014-006, *Oil and Gas Leasing Program NEPA Procedures Pursuant to Leasing Reform*, included the preparation of the EAs and the DNA.

The Vernal EA, upon which the DNA is based, and the EAs prepared by the Cedar City and Richfield FOs all considered the following two alternatives in detail: Alternative A – Proposed Action and Alternative B – No Action. Under the Proposed Action alternatives, the lease parcels would be offered for oil and gas leasing at a competitive lease sale and, for those parcels that are sold, oil and gas leases would be issued subject to the lease terms and protective measures provided for in the applicable land use plans and as identified in the EAs, the Vernal EA and the DNA. Under the No Action alternatives, the lease parcels would not be offered for oil and gas leasing at the subject competitive oil and gas lease sale. The No Action alternatives were considered in order to provide a baseline to compare with the Proposed Action alternatives. Other alternatives were considered, but ultimately not brought forward for detailed analysis in the EAs and the Vernal EA because the issues identified during scoping (both internal and external) did not indicate a need for additional alternatives or mitigating measures beyond those included and considered through the Proposed Action and No Action alternatives of the subject NEPA documents.

In reviewing the nominations, which are also known as “expressions of interest” (“EOIs”), that members of the public submitted for the May 2015 Lease Sale, the BLM Utah considered oil and gas leasing on approximately 45,158 acres of land under the jurisdictions of the BLM’s Cedar City and Richfield FOs. However, during the lease parcel review process, it was determined that approximately 30,106 acres of the nominated lands should either be removed from consideration for oil and gas leasing or “deferred” from offering for lease at the May 2015 Lease Sale.

Nominated lands were removed from leasing consideration if it was determined that the lands would be unavailable for offering for lease at the May 2015 Lease Sale. More specifically, the nominated lands determined to be unavailable for oil and gas leasing

included lands that were already under an existing oil and gas lease, lands within the Grand Staircase-Escalante National Monument, which has been closed to new oil and gas leasing, and “split-estate” lands (non-federal surface/federal minerals) where the nominator of those lands failed to provide contact information for the non-federal surface owners for the lands.

Nominated lands were deferred from being offered for lease at the May 2015 Lease Sale for various reasons. These reasons included the deferral of nominated lands for which it was determined during the lease parcel review process that additional time beyond the May 2015 Lease Sale would be needed to adequately analyze and consider the potential impacts that oil and gas leasing might have on greater sage-grouse, cultural resources and private residences within the towns of Fairview and Spring City, Utah, which are located in close proximity to certain nominated lands. Additional information regarding the nominated lands that were deferred from offering for lease at the May 2015 Lease Sale is documented in the Appendices D of the EAs and on the “Deferred Lands List” maintained on the BLM Utah oil and gas lease sale website.⁶

As previously mentioned, the only May 2015 Lease Sale lease parcel that is located within the Vernal FO, parcel UTU91068 (UT1114 – 132), was previously analyzed for oil and gas leasing during the lease parcel review process conducted for the November 2014 Lease Sale. After considering the parcel for oil and gas leasing through a lease parcel review process, the BLM offered and sold the parcel at a competitive oral auction held on November 18, 2014. However, when the successful bidder for the parcel at the November 2014 Lease Sale failed to submit a timely payment for all of the monies owed, the bid placed upon the parcel had to be rejected. Moreover, as a result of the rejecting of the bid for the parcel, the lands encompassed by the parcel could only be leased for oil and gas after those lands had been reoffered at another competitive oil and gas lease sale. As such, the BLM has completed actions in order to consider whether to reoffer parcel UTU91068 (UT1114 – 132) at another competitive oil and gas lease sale.

During the lease parcel review process for the May 2015 Lease Sale, the BLM reviewed the oil and gas leasing analysis and determinations afforded to parcel UTU91068 (UT1114 – 132) during the lease parcel review process and in the NEPA documents completed for the November 2014 Lease Sale. As a result of that review, it was determined that the lease parcel review process and the NEPA documents completed for parcel UTU91068 (UT1114 – 132) for the November 2014 Lease Sale included opportunities for public participation, an in-depth analysis of the potential impacts of leasing, and determinations as to the lease terms and protective measures to be applied to the parcel that were still adequate and appropriate for the purpose of reoffering the parcel for oil and gas leasing during the May 2015 Lease Sale. The public was provided notice of, and an opportunity to protest, the proposed reoffering of parcel UTU91068 (UT1114 – 132) at the May 2015 Lease Sale in the NCLS issued on February 13, 2015.

⁶ The Deferred Lands List can be accessed online at the following location:
http://www.blm.gov/style/medialib/blm/ut/lands_and_minerals/oil_and_gas/miscellaneous_oil0.Par.47285.File.dat/Deferred%20Lands%20Master%20List.pdf.

In addition to the BLM's internal review and analyses, the lease parcel review process conducted for the May 2015 Lease Sale also included multiple opportunities for public review and involvement.

The first opportunity for public participation during the lease parcel review process for the May 2015 Lease Sale occurred from December 19, 2014, to January 23, 2015, when initial drafts of the EAs were posted for a 30 day public review and comment period. Following that public review and comment period, the BLM considered the public comments that were received, along with other information that had been obtained from both external and internal sources, and made revisions to the EAs, as determined appropriate. In revising the EAs, the BLM noted the substantive public comments that were received on the initial drafts of the EAs, as well as the BLM's responses to those comments, in Appendices E of the revised EAs.

On February 13, 2015, BLM posted the revised version of the EAs, along with the NCLS. The NCLS identified the 14 lease parcels, encompassing approximately 15,265 acres of land under the administration of the BLM's Cedar City, Richfield and Vernal FOs, that the BLM proposed to offer for oil and gas leasing during the May 2015 Lease Sale. The NCLS and revised EAs also identified the protective stipulations and lease notices that the BLM intended to attach to each of the lease parcels proposed for offering at the May 2015 Lease Sale.

The posting of the NCLS and revised EAs initiated a 30 day public protest period for the May 2015 Lease Sale which concluded on March 16, 2015. During that protest period, the BLM received one letter protesting the May 2015 Lease Sale.⁷ That protest letter, which was submitted by WildEarth Guardians, protested all of the lease parcels that the NCLS proposed to offer for lease during the May 2015 Lease Sale.

On July 30, 2015, the BLM issued two decisions ("the Protest Responses") that collectively addressed and responded to all of the substantive assertions contained within the protest letter submitted by WildEarth Guardians for the May 2015 Lease Sale.⁸ More specifically, the Protest Responses collectively dismissed the protest letter submitted by WildEarth Guardians, in its entirety. As a result, none of the lease parcels that have been offered for oil and gas leasing at the May 2015 Lease Sale are subject to an unresolved protest.

On May 11 and May 12, 2015, the BLM issued errata sheets that modified the oil and gas leasing proposal for the May 2015 Lease Sale depicted in the NCLS. The errata sheet issued on May 11, 2015, stated that recent changes to the permissible methods for making payments to the BLM, as provided for in Information Bulletin No. OC-2015-019, would be applicable to the May 2015 Lease Sale. The errata sheet issued on May 12, 2015, modified the leasing proposal provided for in the NCLS by changing the acreage for parcel UTU91058 (UT0515 – 005) and by attaching additional lease notices to several of the lease parcels.

⁷ Copies of the protest letter submitted by WildEarth Guardians may be obtained by request to the BLM Utah State Office or by accessing the BLM Utah oil and gas lease sale website.

⁸ Copies of the Protest Responses may be obtained by request to the BLM Utah State Office or by accessing the BLM Utah oil and gas lease sale website.

On May 19, 2015, the 14 lease parcels proposed for lease in the NCLS were offered for oil and gas leasing during the competitive oral auction conducted for the May 2015 Lease Sale. Of the 14 parcels offered for lease during the May 2015 Lease Sale, eleven (11) parcels, encompassing approximately 13,344 acres, were bid upon. The lease parcels that were not bid upon at the May 2015 Lease Sale became available for noncompetitive leasing for a two-year period that commenced on May 20, 2015.

The Proposed Action alternatives in the EAs and the Proposed Action described in the DNA (collectively “the Proposed Action alternatives”), with modifications as provided in the errata sheets, were selected because they best met the purposes and needs for action, as described at § 1.3 of the EAs and § 1.4 of the Vernal EA. These purposes and needs for action include the BLM’s fulfillment of certain statutorily-imposed responsibilities. For example, pursuant to the MLA, as amended, the BLM Utah must conduct competitive oil and gas lease sales “at least quarterly” when eligible lands are available for oil and gas leasing. 30 U.S.C. § 226(b)(1)(A). By implementing the Proposed Action alternatives, as modified by the errata sheets, whereby the lease parcels have been offered for oil and gas leasing at the May 2015 Lease Sale, the BLM was able to meet the purposes and needs for action associated with fulfilling its responsibility under the MLA to hold quarterly competitive oil and gas lease sales.

The May 2015 Lease Sale also served to meet purposes and needs for action that related to certain responsibilities placed upon the BLM pursuant to FLPMA. For example, section 102 of FLPMA, 43 U.S.C. § 1701(a)(12), imposes upon the BLM a responsibility to manage the public lands in a manner that “recognizes the Nation’s need for domestic sources of minerals.” In most instances, before oil and/or gas, which could assist in meeting the Nation’s needs for domestic sources of minerals, can be produced from public lands, an oil and gas lease must be issued for the lands. As such, the offering and issuance of oil and gas leases via the May 2015 Lease Sale serves as an initial and necessary step that supports the BLM in meeting its obligation under FLMPA to manage the public lands in manner that recognizes the Nation’s need for domestic sources of mineral resources.

In contrast with the Proposed Action alternatives, if the No Action alternatives from the EAs and the Vernal EA were to be implemented, several aspects of the purposes and needs for action, as described in the EAs and the Vernal EA, would not be met. For example, because under the No Action alternatives no federal lands would be offered for oil and gas leasing at the May 2015 Lease Sale, the implementation of that alternative would not serve to meet the purposes and needs for action associated with fulfilling the BLM’s responsibility under the MLA to hold quarterly oil and gas lease sales. Additionally, by not offering lands for oil and gas leasing during the May 2015 Lease Sale, the No Action alternatives also would not meet the aspects of the purposes and needs for action related to the requirements under FLMPA to manage the public lands in a manner that recognizes the Nation’s need for domestic sources of minerals.

The offering of the lease parcels at the May 2015 Lease Sale in accordance with the Proposed Action alternatives and the modifications identified in the errata sheets will also serve to facilitate the orderly development of fluid mineral resources under the jurisdiction of the BLM in a manner that is consistent with the requirements under FLMPA to manage the public lands for multiple uses while considering the potential

impacts to the environment and other resources that may be present. *See generally* 43 U.S.C. §§ 1701 *et seq.*; *See also* 42 U.S.C. §§ 4321 *et seq.* This determination is consistent with the findings documented in the FONSI, the DNA and the November 2014 FONSI, as well as the analyses discussed in the EAs and the Vernal EA.

The lease parcel review process completed by the BLM for the May 2015 Lease Sale, which included the preparation of the EAs and the DNA, served to ensure that adequate provisions were included in the standard lease terms, stipulations and lease notices applied to the lease parcels in order to protect public health and safety and assure full compliance with the objectives of NEPA, 42 U.S.C. §§ 4321 *et seq.*, the National Historic Preservation Act (“NHPA”), 16 U.S.C. §§ 470 *et seq.*, the Endangered Species Act (“ESA”), 16 U.S.C. §§ 1531 *et seq.*, FLPMA, 43 U.S.C. §§ 1701 *et seq.*, and other federal laws and regulations designed to protect the environment and the multiple use management of the Nation’s public lands.

The EAs, the DNA and the Vernal EA were utilized to document the conformance and consistency of the Proposed Action alternatives with the applicable land use plans as well as the considerations of the necessary administrative actions, stipulations, lease notices, special conditions, or restrictions that would be made a part of the lease parcels at the time of issuance. The modifications to the NCLS, as provided for by the errata sheets, were implemented in such a manner so as to ensure the conformance of this decision with the applicable land use plans. Under the Proposed Action alternatives and this decision, continued interdisciplinary support and considerations would be required to ensure the on-the-ground implementation of planning objectives, including the proper implementation of stipulations, lease notices and best management practices through the Application for Permit to Drill (“APD”) process.

Notice, involvement, coordination and consultation with the public and interested stakeholders, which included private surface owners of “split estate” lands, the United States Fish and Wildlife Service (“USFWS”), the United States Forest Service, the National Park Service, Native American Tribes, and the State of Utah’s State Historic Preservation Office (“SHPO”), Division of Wildlife Resources (“UDWR”), Public Lands Policy Coordination Office (“PLPCO”) and School and Institutional Trust Lands Administration (“SITLA”), has occurred for the May 2015 Lease Sale in full compliance with the requirements imposed by NEPA, NHPA, ESA, MLA, 43 C.F.R. Subpart 3120, BLM WO IM No. 2010-117, and other applicable laws, regulations and policies.

Detailed information regarding public and stakeholder involvement during the lease parcel review processes for the May 2015 Lease Sale and, with respect to Vernal FO lease parcel UTU91068 (UT1114 – 132), the November 2014 Lease Sale, is documented in the FONSI, the EAs, the DNA, the November 2014 FONSI, and the Vernal EA, and in the administrative records compiled and maintained by the BLM Utah State Office for the May 2015 Lease Sale and the November 2014 Lease Sale.⁹

As stated above, the Proposed Action alternatives were reviewed and found to be in conformance with the applicable land use plans, the Cedar Beaver Garfield Antimony ROD/RMP (BLM, 1986, as amended and maintained) (for the Cedar City FO lease

⁹ The administrative records for the May 2015 Lease Sale and the November 2014 Lease Sale may be obtained by request to the BLM Utah State Office.

parcels), the Richfield FO ROD/RMP (BLM, 2008, as maintained) (for the Richfield FO lease parcels), and the Vernal FO ROD/RMP (BLM, 2008, as maintained) (for Vernal FO lease parcel UTU91068), because it is specifically provided for in the management decisions contained within those ROD/RMPs. The modifications to the Proposed Action alternatives, as provided for by the errata sheets and as adopted by this decision, were made in such a manner so as to ensure the conformance of this decision with the applicable land use plans. Detailed information regarding the conformance and consistency of the Proposed Action alternatives with specific management decisions within the applicable land use plans is provided in the EAs at § 1.4 and in the DNA at pages 20 and 22.

Also as previously noted, this decision is in compliance with the requirements imposed by the NHPA and its implementing regulations at 36 C.F.R. Part 800. Moreover, implementation of the modified Proposed Action alternatives for the May 2015 Lease Sale, as is provided for by this DR, is not predicted to adversely affect districts, sites, highways, structures, or other objects that are listed or eligible for listing on the National Register of Historic Places (“National Register”), nor is it anticipated to cause the loss or destruction of significant scientific, cultural, or historical resources.

In order to identify and assess the potential impacts that the May 2015 Lease Sale might have on cultural resources, including historic properties that are listed or eligible for listing on the National Register pursuant to the NHPA, the BLM reviewed and analyzed existing records for cultural resources within the areas of potential effects (“APE”) for the May 2015 Lease Sale. Based upon this cultural resources records review and analysis, which is referred to as “Class I” cultural resources inventory, the BLM determined that the issuance and subsequent development of the May 2015 Lease Sale lease parcels could occur without having significant adverse impacts upon cultural resource values. Moreover, with respect to those cultural resources eligible for protection under the NHPA in particular, in accordance with section 106 of the NHPA, 16 U.S.C. § 470f, and its implementing regulations at 36 C.F.R. Part 800, the BLM has determined that the May 2015 Lease Sale will have “No Adverse Effect” on historic properties.

For the purposes of soliciting additional information and to request to consult regarding the presence of and potential impacts to cultural resources, including historic properties listed on or eligible for listing on the National Register, within the APE for the May 2015 Lease Sale, the BLM sent letters to the State of Utah’s SHPO and potentially interested Native American Tribes, which provided those parties with notice and the documentation supporting the BLM’s determination as to the potential impacts of the May 2015 Lease Sale leasing proposal on cultural resources.

On June 2 (Vernal FO lease parcel), December 16 (Richfield FO lease parcels), and December 31 (Cedar City FO lease parcels), 2014, SHPO provided the BLM with written notification that it concurred with the BLM’s determination that the May 2015 Lease Sale would have “No Adverse Effect” on historic properties.

In addition to SHPO and potentially interested Tribes, the BLM also exchanged information and consulted with the Central Utah Archaeological Society and the Utah Rock Art Research Association in order to identify and assesses potential impacts to cultural resources that could result from the May 2015 Lease Sale leasing proposal.

Additional information regarding the communications with SHPO, Native American Tribes, and other organizations that supported the BLM's review and determinations as to the potential impacts of the May 2015 Lease Sale on cultural resources can be found in the EAs, the Vernal EA and in the administrative records compiled and maintained by the BLM Utah State Office for the May 2015 Lease Sale and the November 2014 Lease Sale.

Also as noted above, this decision is in compliance with all requirements imposed by the ESA. As determined during the lease parcel review process and as documented in the EAs, the Vernal EA and the administrative records for the May 2015 Lease Sale and the November 2014 Lease, the May 2015 Lease Sale is not likely to adversely affect any species, or the critical habitat of any species, listed as threatened or endangered under the ESA, nor is the project likely to adversely affect any species, or the habitat of any species, that is proposed or a candidate for listing as threatened or endangered under the ESA. The May 2015 Lease Sale is also not predicted to have an adverse impact on any species listed on the BLM's Sensitive Species list, including those species that are neither listed nor proposed/candidates for listing under the ESA. The rationale supporting the aforementioned determinations, which can be found in the EAs, the DNA, and the Vernal EA, and the lease sale administrative records, has been briefly summarized below.

In 2006, the BLM Utah and the USFWS engaged in a statewide programmatic consultation for the BLM Utah's oil and gas leasing program. This statewide consultation resulted in the development of specific oil and gas lease notices for individual ESA listed species. The BLM and the USFWS developed and agreed to the language for these lease notices with the intent that they would be applied in conjunction with the authority of the ESA and the standard lease terms (BLM Form 3100-11) for the management and protection of the species addressed by the notices in accordance with the ESA.

More recently, programmatic consultation between the BLM and the USFWS occurred as part of the processes to revise six land use plans, which included the Richfield FO ROD/RMP and the Vernal FO ROD/RMP, in 2008. During these programmatic consultations, the lease notices that were originally developed in 2006 were revised and updated as determined appropriate.

The BLM has committed to attach the lease notices that it developed through the aforementioned programmatic consultations with the USFWS to the appropriate oil and gas leases at the time of issuance, which will serve to notify oil and gas lessees of the specific ESA protected species or habitat present or potentially present on the subject leased lands and the associated surface protection requirements that may be imposed pursuant to the ESA or other related laws, regulations or policies. These programmatically-developed lease notices were among the protective measures that were available, considered and attached to the lease parcels, as determined appropriate during the lease parcel review processes for the May 2015 Lease Sale and the November 2014 Lease Sale.

Additionally, pursuant to WO IM No. 2002-174, the following stipulation has been attached to all of the May 2015 Lease Sale lease parcels:

The lease may now and hereafter contain plants, animals, and their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and

management objectives to avoid BLM approved activity that will contribute to a need to list such a species or their habitat. BLM may require modification to or disapprove a proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligation under requirements of the Endangered Species Act, as amended, 16 U. S. C. § 1531 et seq., including completion of any required procedure for conference or consultation.

The BLM also coordinated with the USFWS and the UDWR during the lease parcel review processes for both the May 2015 and November 2014 Lease Sales with the specific purpose of identifying and evaluating the potential impacts that the subject leasing proposals might have on plant and animal species, including those species that have been listed as threatened or endangered under the ESA, species that are proposed or candidates for ESA protection and BLM Sensitive Species that are neither listed, proposed nor candidates for protection under the ESA. As a part of this coordination during the lease parcel review processes, the BLM consulted with the USFWS in order to identify the presence or potential presence of ESA listed, proposed or candidate species and their habitat within the lease parcels and to make determinations as to which of the protective measures available, such as lease stipulations and notices, to attach to each of the lease parcels. The BLM also consulted with the USFWS and the UDWR regarding the adequacy of the protections afforded by the stipulations and lease notices available for attachment to the lease parcels.

Based upon the lease parcel review processes, which included the aforementioned coordination and consultation with the USFWS and the UDWR, the BLM determined that all reasonably foreseeable impacts from the May 2015 Lease Sale to animal and plant species that have been listed as threatened or endangered under the ESA, animal and plant species that are candidates or proposed for listing under the ESA, as well as BLM Sensitive Species that are neither listed, proposed nor candidates for listing under the ESA would either be completely avoided or reduced to insignificant levels by the protective measures that were attached to the lease parcels when they were offered for lease at the May 2015 Lease Sale.

The lease parcel review process, and the coordination and consultation with the USFWS during that process, provided the basis for BLM's determination that the May 2015 Lease Sale leasing proposal "may affect, but not likely adversely affect" ESA listed species. On May 12, 2015, the BLM provided USFWS with a memorandum, which summarized the ESA informal section 7 consultation and conference that occurred between the BLM and the USFWS regarding the May 2015 Lease Sale. This memorandum also sought to conclude informal section 7 consultation for the May 2015 Lease Sale by requesting concurrence from the USFWS with respect to the BLM's determination that the May 2015 Lease Sale "may affect, but not likely to adversely affect" ESA listed species.

On May 29, 2015, the BLM received a memorandum from the USFWS wherein the USFWS concurred with the BLM's determination that the May 2015 Lease Sale "may affect, but not likely adversely affect" ESA listed species. With this written concurrence

in the memorandum from the USFWS, informal section 7 consultation for the May 2015 Lease Sale was concluded in accordance with the ESA.¹⁰

The EAs and the Vernal EA were also prepared in full compliance with the requirements of NEPA and its implementing regulations at 40 C.F.R. §§ 1500 to 1508, and BLM WO IM No. 2010-117, which included the posting of drafts of the EAs and the Vernal EA, along with unsigned FONSI, for public review and comment as described above and, with respect to the Vernal EA, as described in the DNA and the November 2014 FONSI.

There are no outstanding protests for any of the May 2015 Lease Sale lease parcels.

As described above, I have determined that offering of the lease parcels at the May 2015 Lease Sale was conducted in manner that is consistent with the applicable land use plans, laws, regulations and policies. Additional consultation, coordination and environmental analysis will be required during the review and consideration for approval of any site-specific proposals for oil and/or gas exploration and development on the lease parcels.

For the reasons previously stated, it is my decision to issue oil and gas leases for the lease parcels pursuant to the conditions described above.

/s/ Kent Hoffman

July 31, 2015

Authorized Officer

Date

¹⁰ Consultation with the USFWS for the May 2015 Lease Sale addressed all 14 lease parcels offered at the May 2015 Lease Sale, including Vernal FO parcel UTU91068 (UT1114 – 132). The BLM also conducted informal consultation with the USFWS regarding parcel UTU91068 (UT1114 – 132) during the lease parcel review process for the November 2014 Lease Sale. On November 17, 2014, the BLM received written concurrence from the USFWS with respect to the BLM’s determination that the November 2014 Lease Sale “may affect but not likely adversely affect” ESA listed species.